

AN ACT

relating to a major events trust fund, a motor sports racing trust fund, and an events trust fund for sporting and non-sporting events.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended by amending Subdivisions (1), (1-a), (2), (5), (6), (7), and (8) and adding Subdivision (2-a) to read as follows:

(1) "Department" means the ~~[Texas Department of]~~ Economic Development and Tourism Division, Office of the Governor ~~[or its successor]~~.

(1-a) "Endorsing county" means an endorsing county for purposes of Section 5, ~~[or]~~ 5A, 5B, or 5C of this Act.

(2) "Endorsing municipality" means an endorsing municipality for purposes of Section 4, 5, 5A, ~~[or]~~ 5B, or 5C of this Act.

(2-a) "Event" means a game or event as defined by Section 5A, 5B, or 5C of this Act.

(5) "Joinder agreement" means an agreement entered into by:

(A) the department on behalf of this state and a site selection organization setting out representations and

1 assurances by the state in connection with the selection of a site  
2 in this state for the location of a game or event [~~any of the games~~];  
3 or

4 (B) a local organizing committee, an endorsing  
5 municipality, an endorsing county, or more than one local  
6 organizing committee, endorsing municipality, or endorsing county  
7 acting collectively, and a site selection organization setting out  
8 representations and assurances by each local organizing committee,  
9 endorsing municipality, or endorsing county in connection with the  
10 selection of a site in this state for the location of a game or event  
11 [~~any of the games~~].

12 (6) "Joinder undertaking" means an agreement entered  
13 into by:

14 (A) the department on behalf of this state and a  
15 site selection organization that the state will execute a joinder  
16 agreement if [~~in the event that~~] the site selection organization  
17 selects a site in this state for a game or event [~~any of the games~~];  
18 or

19 (B) a local organizing committee, an endorsing  
20 municipality, an endorsing county, or more than one local  
21 organizing committee, endorsing municipality, or endorsing county  
22 acting collectively, and a site selection organization that each  
23 local organizing committee, endorsing municipality, or endorsing  
24 county will execute a joinder agreement if [~~in the event that~~] the  
25 site selection organization selects a site in this state for a game  
26 or event [~~any of the games~~].

27 (7) "Local organizing committee" means a nonprofit

1 corporation or its successor in interest that:

2 (A) has been authorized by an endorsing  
3 municipality, endorsing county, or more than one endorsing  
4 municipality or county acting collectively to pursue an application  
5 and bid on the applicant's behalf to a site selection organization  
6 for selection as the site of a game or event [~~one or more games~~]; or

7 (B) with the authorization of an endorsing  
8 municipality, endorsing county, or more than [~~that~~] one endorsing  
9 municipality or county acting collectively, has executed an  
10 agreement with a site selection organization regarding a bid to  
11 host a game or event [~~one or more games~~].

12 (8) "Site selection organization" means a site  
13 selection organization as defined by Sections 5, 5A, and 5C of this  
14 Act [~~the United States Olympic Committee, the International Olympic~~  
15 ~~Committee, the Pan American Sports Organization, the National~~  
16 ~~Football League, the National Collegiate Athletic Association, the~~  
17 ~~National Basketball Association, the National Hockey League, Major~~  
18 ~~League Baseball, Federation Internationale de Football Association~~  
19 ~~(FIFA), the International World Games Association, the Automobile~~  
20 ~~Competition Committee for the United States (ACCUS) affiliated with~~  
21 ~~the Federation Internationale de l'Automobile, the Champ Car~~  
22 ~~organization, or the American Le Mans Series organization]~~.

23 SECTION 2. Sections 2 and 3, Chapter 1507 (S.B. 456), Acts  
24 of the 76th Legislature, Regular Session, 1999 (Article 5190.14,  
25 Vernon's Texas Civil Statutes), are amended to read as follows:

26 Sec. 2. PURPOSE. The purpose of this Act is to provide  
27 assurances required by a site selection organization sponsoring a

1 ~~[one or more major]~~ sporting or non-sporting game or event  
2 ~~[athletic events]~~ and to provide financing for the costs of:

3 (1) applying or bidding for selection as the site of a  
4 game ~~[major sporting]~~ or event ~~[athletic events]~~ in this state;

5 (2) making the preparations necessary and desirable  
6 for the conduct of a game ~~[major sporting]~~ or event ~~[athletic~~  
7 ~~events]~~ in this state, including the construction or renovation of  
8 facilities to the extent authorized by this Act; and

9 (3) conducting a game ~~[major sporting]~~ or event  
10 ~~[athletic events]~~ in this state.

11 Sec. 3. LEGISLATIVE FINDINGS. The conduct in this state of  
12 one or more games ~~[major sporting]~~ or ~~[athletic]~~ events will:

13 (1) provide invaluable public visibility throughout  
14 the nation or world for this state and the communities where the  
15 games ~~[major sporting]~~ or ~~[athletic]~~ events are held;

16 (2) encourage and provide major economic benefits to  
17 the communities where the games ~~[major sporting]~~ or ~~[athletic]~~  
18 events are held and to the entire state; and

19 (3) provide opportunities for the creation of jobs by  
20 local and Texas businesses that pay a living wage.

21 SECTION 3. The heading to Section 5A, Chapter 1507 (S.B.  
22 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
23 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
24 follows:

25 Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY  
26 OBLIGATIONS; MAJOR ~~[OTHER]~~ EVENTS TRUST FUND.

27 SECTION 4. Section 5A, Chapter 1507 (S.B. 456), Acts of the

1 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's  
2 Texas Civil Statutes), is amended by amending Subsections (a)  
3 through (m), (o), and (p) and adding Subsections (a-1), (b-1),  
4 (d-1), (r), (s), (t), (u), and (v) to read as follows:

5 (a) In this section:

6 (1) "Endorsing county" means:

7 (A) a county that contains a site selected by a  
8 site selection organization for one or more events; or

9 (B) a county that:

10 (i) does not contain a site selected by a  
11 site selection organization for an event;

12 (ii) is included in the market area for the  
13 event as designated by the comptroller; and

14 (iii) is a party to an event support  
15 contract [~~games~~].

16 (2) "Endorsing municipality" means:

17 (A) a municipality that contains a site selected  
18 by a site selection organization for one or more events; or

19 (B) a municipality that:

20 (i) does not contain a site selected by a  
21 site selection organization for an event;

22 (ii) is included in the market area for the  
23 event as designated by the comptroller; and

24 (iii) is a party to an event support  
25 contract [~~games~~].

26 (3) "Event support contract" means a joinder  
27 undertaking, joinder agreement, or a similar contract executed by a

1 local organizing committee, an endorsing municipality, or an  
2 endorsing county and a site selection organization.

3 (4) "Event" [~~"Game"~~] means a Super Bowl, a National  
4 Collegiate Athletic Association Final Four tournament game, the  
5 National Basketball Association All-Star Game, the National Hockey  
6 League All-Star Game, the Major League Baseball All-Star Game, a  
7 National Collegiate Athletic Association Bowl Championship Series  
8 game, a World Cup Soccer game, the World Games, a national  
9 collegiate championship of an amateur sport sanctioned by the  
10 national governing body of the sport that is recognized by the  
11 United States Olympic Committee, [~~or~~] an Olympic activity,  
12 including a Junior or Senior activity, training program, or feeder  
13 program sanctioned by the United States Olympic Committee's  
14 Community Olympic Development Program, the Breeders' Cup World  
15 Championships, or a Formula One automobile race. The term includes  
16 any [~~events and~~] activities related to or associated with an event  
17 [~~the games~~].

18 (5) "Site selection organization" means the National  
19 Football League, the National Collegiate Athletic Association, the  
20 National Basketball Association, the National Hockey League, Major  
21 League Baseball, the Federation Internationale de Football  
22 Association (FIFA), the International World Games Association, the  
23 United States Olympic Committee[~~7~~] or the national governing body  
24 of a sport that is recognized [~~as such~~] by the United States Olympic  
25 Committee, the National Thoroughbred Racing Association, Formula  
26 One Management Limited, or the Federation Internationale de  
27 l'Automobile.

1        (a-1) An event included in Subsection (a)(4) of this section  
2 is eligible for funding under this section only if:

3            (1) a site selection organization selects a site  
4 located in this state for the event after considering, through a  
5 highly competitive selection process, one or more sites that are  
6 not located in this state;

7            (2) a site selection organization selects a site in  
8 this state as the sole site for the event; and

9            (3) the event is held not more than one time in any  
10 year.

11        (b) If a site selection organization selects a site for an  
12 event [~~a game~~] in this state pursuant to an application by a local  
13 organizing committee, endorsing municipality, or endorsing county,  
14 [~~not later than three months before the date of the game or six~~  
15 ~~months before the date of the game~~] upon request of a local  
16 organizing committee, endorsing municipality, or endorsing county,  
17 the comptroller shall determine for a one-year [~~the two-week~~]  
18 period that begins two months before [~~ends at the end of the day~~  
19 ~~after~~] the date on which the event [~~game~~] will begin [~~be held~~], in  
20 accordance with procedures developed by the comptroller:

21            (1) the incremental increase in the receipts to the  
22 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax  
23 Code, and under Title 5, Alcoholic Beverage Code, within the market  
24 areas designated under Subsection (c) of this section, that is  
25 directly attributable, as determined by the comptroller, to the  
26 preparation for and presentation of the event [~~game~~] and related  
27 activities [~~events~~];

1           (2) the incremental increase in the receipts collected  
2 by the state on behalf of each endorsing municipality in the market  
3 area from the sales and use tax imposed by each endorsing  
4 municipality under Section 321.101(a), Tax Code, and the mixed  
5 beverage tax revenue to be received by each endorsing municipality  
6 under Section 183.051(b), Tax Code, that is directly attributable,  
7 as determined by the comptroller, to the preparation for and  
8 presentation of the event [~~game~~] and related activities [~~events~~];

9           (3) the incremental increase in the receipts collected  
10 by the state on behalf of each endorsing county in the market area  
11 from the sales and use tax imposed by each endorsing county under  
12 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to  
13 be received by each endorsing county under Section 183.051(b), Tax  
14 Code, that is directly attributable, as determined by the  
15 comptroller, to the preparation for and presentation of the event  
16 [~~game~~] and related activities [~~events~~];

17           (4) the incremental increase in the receipts collected  
18 by each endorsing municipality in the market area from the hotel  
19 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
20 attributable, as determined by the comptroller, to the preparation  
21 for and presentation of the event [~~game~~] and related activities  
22 [~~events~~]; and

23           (5) the incremental increase in the receipts collected  
24 by each endorsing county in the market area from the hotel occupancy  
25 tax imposed under Chapter 352, Tax Code, that is directly  
26 attributable, as determined by the comptroller, to the preparation  
27 for and presentation of the event [~~game~~] and related activities

1 ~~[events]~~.

2       **(b-1) A request for a determination of the amount of**  
3 **incremental increase in tax receipts specified by Subsection (b) of**  
4 **this section must be submitted to the comptroller not earlier than**  
5 **one year and not later than three months before the date the event**  
6 **begins. The comptroller shall base the determination specified by**  
7 **Subsection (b) of this section on information submitted by the**  
8 **local organizing committee, endorsing municipality, or endorsing**  
9 **county, and must make the determination not later than the 30th day**  
10 **after the date the comptroller receives the request and related**  
11 **information.**

12       (c) For the purposes of Subsection (b)(1) of this section,  
13 the comptroller shall designate as a market area for the event  
14 ~~[game]~~ each area in which the comptroller determines there is a  
15 reasonable likelihood of measurable economic impact directly  
16 attributable to the preparation for and presentation of the event  
17 ~~[game]~~ and related activities ~~[events]~~, including areas likely to  
18 provide venues, accommodations, and services in connection with the  
19 event ~~[game]~~ based on the proposal provided by the local organizing  
20 committee to the comptroller. The comptroller shall determine the  
21 geographic boundaries of each market area. An endorsing  
22 municipality or endorsing county that has been selected as the site  
23 for the event ~~[game]~~ must be included in a market area for the event  
24 ~~[game]~~.

25       (d) Each endorsing municipality or endorsing county shall  
26 remit to the comptroller and the comptroller shall deposit into a  
27 trust fund created by the comptroller and designated as the Major

1 ~~[Other]~~ Events trust fund the amount of the municipality's or  
2 county's hotel occupancy tax revenue determined under Subsection  
3 (b)(4) or (b)(5) of this section, less any amount of the revenue  
4 that the municipality or county determines is necessary to meet the  
5 obligations of the municipality or county. The comptroller shall  
6 retain the amount of sales and use tax revenue and mixed beverage  
7 tax revenue determined under Subsection (b)(2) or (b)(3) of this  
8 section from the amounts otherwise required to be sent to the  
9 municipality under Sections 321.502 and 183.051(b), Tax Code, or to  
10 the county under Sections 323.502 and 183.051(b), Tax Code, and  
11 deposit into the trust fund the tax revenues, less any amount of the  
12 revenue that the municipality or county determines is necessary to  
13 meet the obligations of the municipality or county. The  
14 comptroller shall begin retaining and depositing the local tax  
15 revenues with the first distribution of that tax revenue that  
16 occurs after the first day of the one-year ~~[two-week]~~ period  
17 described by Subsection (b) of this section or at a time otherwise  
18 determined to be practicable by the comptroller and shall  
19 discontinue retaining the local tax revenues under this subsection  
20 when the amount of the applicable tax revenue determined under  
21 Subsection (b)(2) or (b)(3) of this section has been retained. The  
22 Major ~~[Other]~~ Events trust fund is established outside the state  
23 treasury and is held in trust by the comptroller for administration  
24 of this Act. Money in the trust fund may be disbursed by the  
25 comptroller without appropriation only as provided by this section.

26 (d-1) Not later than the 90th day after the last day of an  
27 event and in lieu of the local tax revenues remitted to or retained

1 by the comptroller under Subsection (d) of this section, a  
2 municipality or county may remit to the comptroller for deposit in  
3 the Major Events trust fund other local funds in an amount equal to  
4 the total amount of local tax revenue determined under Subsections  
5 (b)(2) through (5) of this section. The amount deposited by the  
6 comptroller into the Major Events trust fund under this subsection  
7 is subject to Subsection (f) of this section.

8 (e) In addition to the tax revenue deposited in the Major  
9 ~~[Other]~~ Events trust fund under Subsection (d) of this section, an  
10 endorsing municipality or endorsing county may guarantee its  
11 obligations under an event ~~[a game]~~ support contract and this  
12 section by pledging surcharges from user fees, including parking or  
13 ticket fees, charged in connection with the event ~~[game]~~. An  
14 endorsing municipality or endorsing county may collect and remit to  
15 the comptroller surcharges and user fees attributable to the event  
16 for deposit into the Major Events trust fund.

17 (f) The comptroller shall deposit into the Major Events  
18 trust fund a portion of the state tax revenue not to exceed the  
19 amount determined under Subsection (b)(1) of this section in an  
20 amount equal to 6.25 times the amount of the local revenue retained  
21 or remitted under this section, including:

- 22 (1) local sales and use tax revenue;  
23 (2) ~~and~~ mixed beverage tax revenue;  
24 (3) ~~retained and the~~ hotel occupancy tax revenue;  
25 and  
26 (4) surcharge and user fee revenue ~~[remitted by an~~  
27 ~~endorsing municipality or endorsing county under Subsection (d) of~~

1 ~~this section~~].

2 (g) To meet its obligations under a game support contract or  
3 event support contract to improve, construct, renovate, or acquire  
4 facilities or to acquire equipment, an endorsing municipality by  
5 ordinance or an endorsing county by order may authorize the  
6 issuance of notes. An endorsing municipality or endorsing county  
7 may provide that the notes be paid from and secured by amounts on  
8 deposit or amounts to be deposited into the Major [~~Other~~] Events  
9 trust fund or surcharges from user fees, including parking or  
10 ticket fees, charged in connection with the event [~~game~~]. Any note  
11 issued must mature not later than seven years from its date of  
12 issuance.

13 (h) The funds in the Major [~~Other~~] Events trust fund may be  
14 used to pay the principal of and interest on notes issued by an  
15 endorsing municipality or endorsing county under Subsection (g) of  
16 this section and to fulfill obligations of the state or an endorsing  
17 municipality or endorsing county to a site selection organization  
18 under a game support contract or event support contract, which  
19 obligations may include the payment of costs relating to the  
20 preparations necessary or desirable for the conduct of the event  
21 [~~game~~] and the payment of costs of conducting the event [~~game~~],  
22 including improvements or renovations to existing facilities or  
23 other facilities and costs of acquisition or construction of new  
24 facilities or other facilities.

25 (i) A local organizing committee, endorsing municipality,  
26 or endorsing county shall provide information required by the  
27 comptroller to enable the comptroller to fulfill the comptroller's

1 duties under this section, including annual audited statements of  
2 any financial records required by a site selection organization and  
3 data obtained by the local organizing committee, an endorsing  
4 municipality, or an endorsing county relating to attendance at the  
5 event [~~game~~] and to the economic impact of the event [~~game~~]. A  
6 local organizing committee, endorsing municipality, or endorsing  
7 county must provide an annual audited financial statement required  
8 by the comptroller, if any, not later than the end of the fourth  
9 month after the date the period covered by the financial statement  
10 ends. After the conclusion of an event and on the comptroller's  
11 request, a local organizing committee, endorsing municipality, or  
12 endorsing county must provide information relating to the event,  
13 such as attendance figures, financial information, or other public  
14 information held by the local organizing committee, endorsing  
15 municipality, or endorsing county that the comptroller considers  
16 necessary.

17 (j) Not [~~The comptroller shall provide an estimate not~~]  
18 later than the 30th day after the date a [~~three months before the~~  
19 ~~date of a game or six months before the date of the game upon~~]  
20 request of a local organizing committee, endorsing municipality, or  
21 endorsing county is submitted to the comptroller under Subsection  
22 (b-1) of this section, the comptroller shall provide an estimate of  
23 the total amount of tax revenue that would be deposited in the Major  
24 [~~Other~~] Events trust fund under this section in connection with  
25 that event [~~game~~], if the event [~~game~~] were to be held in this state  
26 at a site selected pursuant to an application by a local organizing  
27 committee, endorsing municipality, or endorsing county. [~~The~~

1 ~~comptroller shall provide the estimate on request to a local~~  
2 ~~organizing committee, endorsing municipality, or endorsing~~  
3 ~~county.]~~ A local organizing committee, endorsing municipality, or  
4 endorsing county may submit the comptroller's estimate to a site  
5 selection organization.

6 (k) The comptroller may make a disbursement from the Major  
7 ~~[Other]~~ Events trust fund on the prior approval of each  
8 contributing endorsing municipality or endorsing county for a  
9 purpose for which a local organizing committee, an endorsing  
10 municipality, or an endorsing county or the state is obligated  
11 under a game support contract or event support contract. A  
12 disbursement may not be made from the trust fund that the  
13 comptroller determines would be used for the purpose of soliciting  
14 the relocation of a professional sports franchise located in this  
15 state.

16 (l) If a disbursement is made from the Major ~~[Other]~~ Events  
17 trust fund under Subsection (k), the obligation shall be satisfied  
18 proportionately from the state and local revenue in the trust fund.

19 (m) On payment of all state, municipal, or county  
20 obligations under a game support contract or event support contract  
21 related to the location of any particular event ~~[game]~~ in the state,  
22 the comptroller shall remit to each endorsing entity, in proportion  
23 to the amount contributed by the entity, any money remaining in the  
24 trust fund.

25 (o) This section may not be construed as creating or  
26 requiring a state guarantee of obligations imposed on the state or  
27 an endorsing municipality or endorsing county under an event [~~a~~

1 ~~game~~] support contract or other agreement relating to hosting one  
2 or more events [~~games~~] in this state.

3 (p) The comptroller may not undertake any of the  
4 responsibilities or duties set forth in this section unless a  
5 request is submitted by the municipality or [~~and~~] the county in  
6 which the event [~~game~~] will be located. The request must be  
7 accompanied by documentation from a site selection organization  
8 selecting the site for the event [~~game~~].

9 (r) This subsection applies only to an event that the  
10 comptroller determines under Subsection (b) of this section will  
11 generate at least \$15 million in state and local tax revenue. The  
12 comptroller and one or more endorsing municipalities or endorsing  
13 counties may enter into an agreement to provide that an amount equal  
14 to the amount of local tax revenue determined by the comptroller  
15 under Subsections (b)(2) through (5) of this section shall be  
16 remitted to the comptroller by one or more endorsing municipalities  
17 or endorsing counties and shall be deposited by the comptroller  
18 into the Major Events trust fund before the event. In the 12 months  
19 immediately preceding the event, the comptroller may deposit into  
20 the trust fund an amount equal to the amount the state is required  
21 to deposit under Subsection (f) of this section from any amounts  
22 appropriated by the legislature for the purposes of this  
23 subsection. The comptroller may make disbursements from the trust  
24 fund in amounts that do not exceed the amounts deposited under this  
25 subsection in accordance with the agreement to pay costs relating  
26 to attracting and securing the event. An agreement under this  
27 subsection may provide that, following the last day of an event, the

1 funds eligible for disbursement under Subsection (k) of this  
2 section be held in the trust fund and made available to pay the cost  
3 of securing the event in future years.

4 (s) The term of an agreement entered into under Subsection  
5 (r) of this section may not exceed 10 years and must terminate:

6 (1) on the final termination date provided in the  
7 agreement; or

8 (2) if the event covered by the agreement is not held  
9 during any 18-month period covered by the agreement.

10 (t) On termination of an agreement entered into under  
11 Subsection (r) of this section, the total amount of the state's  
12 initial contribution under the agreement must be repaid to the  
13 state from funds disbursed under Subsection (k) of this section or  
14 from any other source specified in the agreement. An agreement  
15 entered into under Subsection (r) of this section must include  
16 terms that the comptroller determines are necessary to protect the  
17 state's interest, including a provision for a performance bond or  
18 other guarantee of repayment if the event is not held in the state  
19 after a disbursement has been made.

20 (u) The comptroller shall deposit any amount appropriated  
21 by the legislature for the purposes of Subsection (r) of this  
22 section into the Major Event trust fund for the limited purpose of  
23 paying the costs of attracting and securing an event eligible under  
24 that subsection.

25 (v) The comptroller may adopt rules necessary to implement  
26 this section.

27 SECTION 5. Subdivisions (1) and (2), Subsection (a),

1 Section 5B, Chapter 1507 (S.B. 456), Acts of the 76th Legislature,  
2 Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil  
3 Statutes), are amended to read as follows:

4 (1) "Endorsing county" means a county [~~with a~~  
5 ~~population of one million or more~~] that contains a site selected by  
6 a site selection organization for one or more motor sports racing  
7 events.

8 (2) "Endorsing municipality" means a municipality  
9 [~~with a population of one million or more~~] that contains a site  
10 selected by a site selection organization for one or more motor  
11 sports racing events.

12 SECTION 6. The heading to Section 5C, Chapter 1507 (S.B.  
13 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
14 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
15 follows:

16 Sec. 5C. EVENTS [~~SPORTING EVENT~~] TRUST FUND FOR CERTAIN  
17 MUNICIPALITIES AND COUNTIES.

18 SECTION 7. Section 5C, Chapter 1507 (S.B. 456), Acts of the  
19 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's  
20 Texas Civil Statutes), is amended by amending Subsections (a), (b),  
21 and (d) through (m), and by adding Subsections (a-1), (c-1), (d-1),  
22 (p), and (q) to read as follows:

23 (a) In this section:

24 (1) "Endorsing county" means a county [~~with a~~  
25 ~~population of 800,000 or more~~] that contains a site selected by a  
26 site selection organization for one or more events.

27 (2) "Endorsing municipality" means a municipality

1 ~~[with a population of 500,000 or more]~~ that contains a site selected  
2 by a site selection organization for one or more events.

3 (3) "Event" means an ~~[a National Collegiate Athletic~~  
4 ~~Association regional tournament or playoff game, a Senior Olympic~~  
5 ~~activity, including a training program or feeder program sanctioned~~  
6 ~~by the National Senior Games Association, or a major sporting or~~  
7 ~~athletic]~~ event or a related series of events held in this state for  
8 which a local organizing committee, endorsing county, or endorsing  
9 municipality seeks approval from ~~[sanctioned by]~~ a site selection  
10 organization to hold the event at a site in this state. The term  
11 includes any activities related to or associated with the event.

12 (4) "Event support contract" means a joinder  
13 undertaking, a joinder agreement, or a similar contract executed by  
14 a local organizing committee, an endorsing municipality, or an  
15 endorsing county and a site selection organization.

16 (5) "Site selection organization" means an entity that  
17 conducts or considers conducting an eligible event in this state  
18 ~~[the United States Olympic Committee (USOC), United States Youth~~  
19 ~~Soccer Association (USYSA), United States Bowling Congress (USBC),~~  
20 ~~Amateur Softball Association of America (ASA), National Senior~~  
21 ~~Games Association (NSGA), American Youth Football and Cheer (AYF),~~  
22 ~~United States Lacrosse (USL), National Collegiate Athletic~~  
23 ~~Association (NCAA), United States Tennis Association (USTA),~~  
24 ~~Special Olympics, National Association for Stock Car Auto Racing~~  
25 ~~(NASCAR), Breeders' Cup, or another major nationally or~~  
26 ~~internationally recognized sports organization]~~.

27 (a-1) An event is eligible for funding under this section

1 only if:

2 (1) a site selection organization selects a site for  
3 the event located in this state after considering, through a highly  
4 competitive selection process, one or more sites that are not  
5 located in this state;

6 (2) a site selection organization selects a site in  
7 this state as:

8 (A) the sole site for the event; or

9 (B) the sole site for the event in a region  
10 composed of this state and one or more adjoining states; and

11 (3) the event is held not more than one time in this  
12 state or an adjoining state in any year.

13 (b) If a site selection organization [~~, after considering~~  
14 ~~through a highly competitive process one or more sites that are not~~  
15 ~~located in this state,~~] selects a site for an event in this state  
16 pursuant to an application by a local organizing committee,  
17 endorsing municipality, or endorsing county, not later than three  
18 months before the date of the event, the comptroller shall  
19 determine for the 30-day period that ends at the end of the day  
20 after the date on which the event will be held or, if the event  
21 occurs on more than one day, after the last date on which the event  
22 will be held, in accordance with procedures developed by the  
23 comptroller:

24 (1) the incremental increase in the receipts to this  
25 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax  
26 Code, and under Title 5, Alcoholic Beverage Code, within the market  
27 areas designated under Subsection (c) of this section, that is

1 directly attributable, as determined by the comptroller, to the  
2 preparation for and presentation of the event and related  
3 activities;

4           (2) the incremental increase in the receipts collected  
5 by this state on behalf of each endorsing municipality in the market  
6 area from the sales and use tax imposed by each endorsing  
7 municipality under Section 321.101(a), Tax Code, and the mixed  
8 beverage tax revenue to be received by each endorsing municipality  
9 under Section 183.051(b), Tax Code, that is directly attributable,  
10 as determined by the comptroller, to the preparation for and  
11 presentation of the event and related activities;

12           (3) the incremental increase in the receipts collected  
13 by this state on behalf of each endorsing county in the market area  
14 from the sales and use tax imposed by each endorsing county under  
15 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to  
16 be received by each endorsing county under Section 183.051(b), Tax  
17 Code, that is directly attributable, as determined by the  
18 comptroller, to the preparation for and presentation of the event  
19 and related activities;

20           (4) the incremental increase in the receipts collected  
21 by each endorsing municipality in the market area from the hotel  
22 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
23 attributable, as determined by the comptroller, to the preparation  
24 for and presentation of the event and related activities; and

25           (5) the incremental increase in the receipts collected  
26 by each endorsing county in the market area from the hotel occupancy  
27 tax imposed under Chapter 352, Tax Code, that is directly

1 attributable, as determined by the comptroller, to the preparation  
2 for and presentation of the event and related activities.

3 (c-1) The comptroller shall base the determination  
4 specified by Subsection (b) of this section on information  
5 submitted by the local organizing committee, endorsing  
6 municipality, or endorsing county, and must make the determination  
7 not later than the 30th day after the date the comptroller receives  
8 the information.

9 (d) Each endorsing municipality or endorsing county shall  
10 remit to the comptroller and the comptroller shall deposit into a  
11 trust fund created by the comptroller and designated as the Events  
12 [~~sporting events~~] trust fund the amount of the municipality's or  
13 county's hotel occupancy tax revenue determined under Subsection  
14 (b)(4) or (5) of this section, less any amount of the revenue that  
15 the municipality or county determines is necessary to meet the  
16 obligations of the municipality or county. The comptroller shall  
17 retain the amount of sales and use tax revenue and mixed beverage  
18 tax revenue determined under Subsection (b)(2) or (3) of this  
19 section from the amounts otherwise required to be sent to the  
20 municipality under Sections 321.502 and 183.051(b), Tax Code, or to  
21 the county under Sections 323.502 and 183.051(b), Tax Code, and  
22 deposit into the trust fund the tax revenues, less any amount of the  
23 revenue that the municipality or county determines is necessary to  
24 meet the obligations of the municipality or county. The  
25 comptroller shall begin retaining and depositing the local tax  
26 revenues with the first distribution of that tax revenue that  
27 occurs after the first day of the period described by Subsection (b)

1 of this section or at a time otherwise determined to be practicable  
2 by the comptroller and shall discontinue retaining the local tax  
3 revenues under this subsection when the amount of the applicable  
4 tax revenue determined under Subsection (b)(2) or (3) of this  
5 section has been retained. The Events [~~sporting events~~] trust fund  
6 is established outside the state treasury and is held in trust by  
7 the comptroller for administration of this section. Money in the  
8 trust fund may be disbursed by the comptroller without  
9 appropriation only as provided by this section.

10 (d-1) Not later than the 90th day after the last day of an  
11 event and in lieu of the local tax revenues remitted to or retained  
12 by the comptroller under Subsection (d) of this section, a  
13 municipality or county may remit to the comptroller for deposit in  
14 the Events trust fund other local funds in an amount equal to the  
15 total amount of local tax revenue determined under Subsections  
16 (b)(2) through (5) of this section. The amount deposited by the  
17 comptroller into the Events trust fund under this subsection is  
18 subject to Subsection (f) of this section.

19 (e) In addition to the tax revenue deposited in the Events  
20 [~~sporting events~~] trust fund under Subsection (d) of this section,  
21 an endorsing municipality or endorsing county may guarantee its  
22 obligations under an event support contract and this section by  
23 pledging surcharges from user fees, including parking or ticket  
24 fees, charged in connection with the event. An endorsing  
25 municipality or endorsing county may collect and remit to the  
26 comptroller surcharges and user fees attributable to the event for  
27 deposit into the Events trust fund.

1 (f) The comptroller shall deposit into the Events [~~sporting~~  
2 ~~events~~] trust fund a portion of the state tax revenue not to exceed  
3 the amount determined under Subsection (b)(1) of this section in an  
4 amount equal to 6.25 times the amount of the local tax revenue  
5 retained or remitted under this section, including:

6 (1) local sales and use tax revenue;

7 (2) [~~and~~] mixed beverage tax revenue;

8 (3) [~~retained and the~~] hotel occupancy tax revenue;

9 and

10 (4) surcharge and user fee revenue [~~remitted by an~~  
11 ~~endorsing municipality or endorsing county under Subsection (d) of~~  
12 ~~this section~~].

13 (g) To meet its obligations under an event support contract  
14 to improve, construct, renovate, or acquire facilities or to  
15 acquire equipment, an endorsing municipality by ordinance or an  
16 endorsing county by order may authorize the issuance of notes. An  
17 endorsing municipality or endorsing county may provide that the  
18 notes be paid from and secured by amounts on deposit or amounts to  
19 be deposited into the Events [~~sporting events~~] trust fund or  
20 surcharges from user fees, including parking or ticket fees,  
21 charged in connection with the event. Any note issued must mature  
22 not later than seven years from its date of issuance.

23 (h) The money in the Events [~~sporting events~~] trust fund may  
24 be used to pay the principal of and interest on notes issued by an  
25 endorsing municipality or endorsing county under Subsection (g) of  
26 this section and to fulfill obligations of this state or an  
27 endorsing municipality or endorsing county to a site selection

1 organization under an event support contract, which obligations may  
2 include the payment of costs relating to the preparations necessary  
3 or desirable for the conduct of the event and the payment of costs  
4 of conducting the event, including improvements or renovations to  
5 existing facilities or other facilities and costs of acquisition or  
6 construction of new facilities or other facilities.

7 (i) A local organizing committee, endorsing municipality,  
8 or endorsing county shall provide information required by the  
9 comptroller to enable the comptroller to fulfill the comptroller's  
10 duties under this section, including annual audited statements of  
11 any financial records required by a site selection organization and  
12 data obtained by the local organizing committee, an endorsing  
13 municipality, or an endorsing county relating to attendance at the  
14 event and to the economic impact of the event. A local organizing  
15 committee, endorsing municipality, or endorsing county must  
16 provide an annual audited financial statement required by the  
17 comptroller, if any, not later than the end of the fourth month  
18 after the date the period covered by the financial statement ends.  
19 After the conclusion of an event and on the comptroller's request, a  
20 local organizing committee, endorsing municipality, or endorsing  
21 county must provide information relating to the event, such as  
22 attendance figures, financial information, or other public  
23 information held by the local organizing committee, endorsing  
24 municipality, or endorsing county that the comptroller considers  
25 necessary.

26 (j) The comptroller shall provide an estimate not later than  
27 three months before the date of an event of the total amount of tax

1 revenue that would be deposited in the Events [~~sporting events~~]  
2 trust fund under this section in connection with that event, if the  
3 event were to be held in this state at a site selected pursuant to an  
4 application by a local organizing committee, endorsing  
5 municipality, or endorsing county. The comptroller shall provide  
6 the estimate on request to a local organizing committee, endorsing  
7 municipality, or endorsing county. A local organizing committee,  
8 endorsing municipality, or endorsing county may submit the  
9 comptroller's estimate to a site selection organization.

10 (k) The comptroller may make a disbursement from the Events  
11 [~~sporting events~~] trust fund on the prior approval of each  
12 contributing endorsing municipality or endorsing county for a  
13 purpose for which a local organizing committee, an endorsing  
14 municipality, or an endorsing county or this state is obligated  
15 under an event support contract. A disbursement may not be made  
16 from the trust fund that the comptroller determines would be used  
17 for the purpose of soliciting the relocation of a professional  
18 sports franchise located in this state.

19 (l) If a disbursement is made from the Events [~~sporting~~  
20 ~~events~~] trust fund under Subsection (k) of this section, the  
21 obligation shall be satisfied proportionately from the state and  
22 local revenue in the trust fund.

23 (m) On payment of all state, municipal, or county  
24 obligations under an event support contract related to the location  
25 of any particular event in this state, the comptroller shall remit  
26 to each endorsing entity, in proportion to the amount contributed  
27 by the entity, any money remaining in the Events [~~sporting events~~]

1 trust fund.

2 (p) The comptroller may adopt rules necessary to implement  
3 this section.

4 (g) In determining the amount of state revenue available  
5 under Subsection (b)(1) of this section, the comptroller may  
6 consider whether:

7 (1) the event has been held in this state on previous  
8 occasions; and

9 (2) changes to the character of the event could affect  
10 the incremental increase in receipts collected and remitted to the  
11 state by an endorsing county or endorsing municipality under that  
12 subsection.

13 SECTION 8. Subsection (n), Section 5A, Chapter 1507 (S.B.  
14 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
15 5190.14, Vernon's Texas Civil Statutes), is repealed.

16 SECTION 9. The changes in law made by this Act apply only to  
17 applications for participation in the Major Events trust fund or  
18 the Events trust fund that are received by the comptroller on or  
19 after September 1, 2009. An application for participation in the  
20 Other Events trust fund or the sporting events trust fund received  
21 before September 1, 2009, is governed by the law as it existed  
22 immediately before the effective date of this Act, and that law and  
23 the respective funds are continued in effect for that purpose.

24 SECTION 10. This Act takes effect September 1, 2009.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1515 passed the Senate on April 15, 2009, by the following vote: Yeas 26, Nays 4; and that the Senate concurred in House amendment on May 28, 2009, by the following vote: Yeas 28, Nays 3.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1515 passed the House, with amendment, on May 20, 2009, by the following vote: Yeas 119, Nays 16, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor